



The Insider

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Inside State Politics with State Senator Mickey Switalski Senate District 10

August 6, 2004

Welcome to the electronic version of *The Insider*. I would like to take the opportunity to thank you for your support and for giving me an opportunity to represent you in the Michigan Senate. It is my sincere hope that this bi-weekly e-newsletter will keep you informed of the happenings in Lansing while staying true to the traditional style of *The Insider*. If you would like to contact me, please feel free to e-mail me at senmswitalski@senate.michigan.gov or call me at my Roseville or Lansing office. You can also meet me in person during my constituent hours, coming to a library near you. Call my office and make an appointment or just walk in. See schedule for details.

Casino Tax Passes Legislature, Goes to Governor

A critical part of this fiscal year's budget was solved on Wednesday when the Michigan legislature approved a hike in the amount of taxes that the three Detroit casinos pay. House Bill 4612 would raise the casino tax from 18 percent to 24 percent.

The bill had been in conference committee for the past two weeks as negotiations proceeded. Some members wanted to ensure a vote on legalization of video gaming terminals at race tracks, a possible funding source for agriculture in the state (HB 4610, sponsored by Representative Larry Julian, R-Lennon), by linking the issue to the casino tax increase.

In response to a petition drive that would require a vote of the people in order to expand gambling options in the state, the House and Senate Democratic parties had removed their support for racinos as a potential revenue solution for the 2004-05 fiscal year budget. If the drive is successful and state election officials approve the measure, any authorization of racinos would need the approval of the voters.

The initial compromise agreement developed by conference committee was rejected unanimously by the House early Wednesday afternoon.

A second conference committee was then appointed and developed a compromise that won the support of even pro-racino legislators, passing by a 93-15 vote of the House. The Senate followed suit, approving the increase 30-6.

The final agreement calls for an increase in the casino tax from 18 to 24 percent, with two-thirds of the revenue generated going to the state (about \$50 million) and one-third going to the city of Detroit (about \$25 million). The increase earmarked for the city of Detroit would expire on December 31, 2005. Six million of the state's share of the revenue would go to fund agricultural programs such as 4-H and county fairs.

The final agreement also provided an incentive for the Detroit casinos to build permanent facilities in the city. HB 4612 calls for the tax rate to decrease to 20 percent if the casinos build permanent Detroit facilities by December 2006. The bill would also increase the casino tax one percent every year for three years, starting in July 2009, if the Detroit casinos do not built their permanent facilities in the city.

HB 4612 also contains a provision that would drop the rate back to its original 18 percent if racinos are legalized.

I voted in favor of the bill in order to avoid making additional dramatic cuts to several crucial programs. However, continuing negotiations are necessary in order to finalize the budget before the beginning of the next fiscal year on October 1st.

The Legislature will take a two week hiatus and return on August 25th to finalize the budget.

Detroit Public School Reform Vote

Detroit voters will have the option of determining the level of influence the mayor of Detroit has under a bill that passed the Michigan Legislature late Wednesday evening.

In 1999, the Michigan Legislature passed a law (Public Act 10 of 1999) that took over the Detroit Public Schools and replaced the city's elected school board with a seven-member reform board appointed by the state. The district's low test scores, crumbling infrastructure and high dropout rates were cited as grounds for the takeover.

Calling for this reform board to operate for the next five years, the 1999 legislation gave Detroiters the option to vote in November of 2004 to keep the appointed school board format or to return to the system in place prior to the state takeover.

House Bill 4508 changes PA 10 of 1999 by ending the state takeover and allowing Detroiters to decide between two differing school board systems. Under the first option, a nine-member school board would be elected by district, with the mayor appointing the chief executive officer (CEO) of the district. The school board would have to confirm the mayor's CEO appointment, who, under this option, would be an at-will employee of the school board and subject to a yearly financial and performance audit. The school board would also set the annual budget which the CEO would implement.

Under HB 4508, Detroit voters will also have the option of returning to the 11-member school board system in place prior to the state takeover. With this option, the school board would be elected at large and would retain the traditional powers of the school board with no mayoral or state role in its affairs.

I voted against PA 10 of 1999 when I was a member of the House. I believe that the best way to hold elected officials accountable in our democracy is by the ballot box. In my opinion, the state takeover infringed on the ability of the voters of Detroit to hold the school board accountable.

House Bill 4508 passed the Michigan Senate by a 26-12 vote and is expected to be signed into law by Governor Granholm. I voted in favor of this bill because it gives the voters of Detroit the ability to determine what version of an elected school board will best serve their children.

Mickey's TV Insider Show

Check out my TV Insider Show coming to a television station near you. Watch me interview local guests about politics, life, issues and concerns to our district.

Sterling Heights

Every Saturday and Sunday at 12:30 p.m.
(Comcast Channel 5/WOW Channel 10)

Utica

Every Wednesday at 9 a.m.
(Comcast Channel 5/WOW Channel 10)

Clinton Township

Last week of every month- Sat thru Thurs
(Comcast Channel 5/WOW Channel 10)

Roseville

Every other Tuesday at 6:05 p.m.
(Comcast Channel 18)

*Please note that Sterling Heights/Utica/Clinton Township will show the TV Insider Show on Comcast Channel 5 and Wide Open West Channel 10. Clinton Township will air the TV Insider Show at various times during the last week of every month. Roseville can see the TV Insider Show on Comcast Channel 18.

Coffee Hours

Sept. 13
7-9 p.m.

Location: Sterling Heights Public Library
(40255 Dodge Park)

August 30
7-9 P.M.

Location: Clinton Township Public Library
(35891 Gratiot, north of 15 Mile)

*Please note that since the District Office is in Roseville, I do not have coffee hours in Roseville. I encourage you to visit the Roseville office. We even have a coffee pot. Everyone is welcome at the coffee hours.

Contact My Office

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